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A LIMITED LIABILITY LAW PARTNERSHIP

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Attorneys for Debtor,  
IMUA BLUEHENNS, LLC

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF HAWAII

In re	Case No. 11-01721 (Chapter 11)  (Non-Hearing Motion)  Judge: Honorable Robert J. Faris
IMUA BLUEHENNS, LLC,	
Debtor.	

**DECLARATION OF SEAN NAKAMOTO**

I Sean Nakamoto, hereby declare as follows:

1. I am the Responsible Person of the Debtor and Debtor-in-Possession, Imua Bluehens, LLC ("Imua"), and submit this Declaration in support of the various First Day Motions, including a Motion for Interim Use of Cash Collateral, and other Motions.

2. I am also an officer of Pi'ilani Group, which has a management contract with the Debtor and the Debtor, has filed a motion to assume the pre-petition property management contract with Pi'ilani Group.

3. In August 2007, Imua acquired Laniakea Plaza located in Waipio Gentry from the previous ownership group and obtained two loans totaling \$12.5 million, a first mortgage of \$10,250,000.00 from RBS Greenwich Capital, and a junior loan of \$2,240,000.00 from RBS Greenwich Capital.

4. Pi'ilani Group and its managing members, James Kai and Sean Nakamoto, were contracted to manage the Laniakea Plaza, a commercial development at Waipio Gentry.

5. The RBS Greenwich Capital note was being serviced by Wachovia Securities.

6. The junior portion of the RBS Capital loan had an annual interest rate that started off at 8% and increased by 2% a year, 10% on August 2, 2007, and 12% on August 2, 2008. The loan had to be refinanced by the maturity date of August 2, 2009.

7. During 2008-2009, the first mortgage was sold and consolidated with other mortgages and Greenwich Capital was no longer the lender. Wachovia remained the servicer of the note.

8. Imua has tried to refinance the various mortgages, but the commercial real estate market made the refinancing virtually impossible.

9. In late 2008, the first mortgage was transferred to LNR Partners (“LNR”).

10. During late 2008 or early 2009 period, Imua began to fall behind in its payments on the first mortgage and the impound payments, but not on the second mortgage.

11. Around this time, Imua began to withhold some of the monthly rents because Imua needed funds to pay operating expenses, but the servicer was not reimbursing funds to the Imua account to pay the operating expenses.

12. In late 2009 (October/November), LNR notified Imua that it was in default on the mortgage.

13. During the next year, there was no official notice of default or foreclosure, which came in September 2010.

14. After the official notice of default, Imua was unable to negotiate a settlement with the first mortgagee.

15. In the State Court foreclosure action, the first mortgagee has moved for Summary Judgment, an Interlocutory Decree of Foreclosure and the appointment of a receiver.

16. The Motion to appoint a receiver is now scheduled for June 21, 2011, but the Motion for Summary Judgment has been continued.

17. The Imua property consists of three (3) buildings on two separate lots. Building A has three (3) tenants occupying 3,502 sq. ft. Building B is a two-story building consisting of ten (10) units with 13 tenants occupying 13,213 sq. ft. Building C is on its own lot, with one tenant totaling 10,730 sq. ft.

18. The Debtor owns Lot 28, occupied by Buildings A and B, and has 69,999 sq. ft. of land. Lot 29, where Building C is located has 35,908 sq. ft.

19. The total leasable square footage is 27,445 sq. ft. sitting on 105,907 sq. ft. of land.

20. Printed below is the Laniakea Plaza rent rolls, including the present tenants, their leases and monthly rent:

Unit #	Tenant Name	Lease Commence	Lease Expire	Leased Area	Current NNN Rent
101	Starbucks	08/01/06	10/31/16	1,476	\$,899.00
102	Territorial Savings Bank	05/01/06	09/30/16	1,006	3,679.86
103	Taco Del Mar	08/17/06	03/31/13	1,020	4,456.33
105	Panda Express (RC-11/1)	12/27/06	02/28/23	2,600	10,000.00
106	Fantastic Sam's	11/01/06	04/30/17	1,000	4,910.00
107	Ninja Sushi (RC-11/1)	06/22/07	10/21/12	1,000	4,380.00
108	The UPS Store	01/01/07	03/31/12	800	3,296.00
109/110	Fatboy's	11/01/06	06/31/15	2,613	8,822.87
201	Greg Hurtado, DDS (RC-11/1)	05/15/07	10/15/17	1,250	5,300.00
202	Therapist Central	07/01/10	06/30/11	640	1,257.00
202A	Grace Works	09/15/08	03/31/11	110	325.00
202B	Vacant			500	0.00
203	Help U Sell	09/01/08	08/31/11	1,000	1,332.98
204	Pacific Medifacial	11/01/08	03/31/12	1,000	3,620.00
205	Binh Thu Nguyen dba Perfection	11/01/08	02/28/12	800	3,392.00
C	Goodyear	04/15/06	11/30/16	10,730	18,762.13

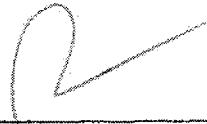
21. I have prepared a 180 day budget attached hereto as Exhibit B. The budget provides for the payment of adequate protection payments of \$30,000.00 per month and the payment of all expenses, including the real property taxes.

22. The Debtor proposes to pay adequate protection payments of \$30,000.00 per month until further order of the Court to the first mortgage holder as a regular expense.

23. To continue to operate Laniakea Plaza, the Debtor will need to use cash collateral to meet the ongoing expenses and preserve and maintain the property.

I DECLARE UNDER PENALTY OF PERJURY UNDER THAT  
THE FOREGOING IS TRUE AND CORRECT.

Executed this \_\_\_\_ day of June 2011.



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SEAN NAKAMOTO  
Responsible Person for  
IMUA BLUEHENS, LLC